

METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 4b

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# Memorandum

TO: Legislation Committee

DATE: April 1, 2011

FR: Executive Director

W. I. 1131

RE: AB 1308 (Miller) — Continuous Appropriation of Transportation Funds

### **Background**

AB 1308 (Miller) would continuously appropriate funds in the Highway Users Tax Account (HUTA) in any year in which the Legislature has not enacted a budget by the beginning of the fiscal year, July 1. When combined with the new protections established by the voters through passage of Proposition 22 last November, AB 1308 would ensure that state transportation funding is not held up by prolonged budget negotiations that typically revolve around how to close the state's structural shortfall in the General Fund.

## **Recommendation: Support**

#### Discussion

As you know, the state's transportation programs are funded by the gasoline excise tax, the diesel excise tax and the sales tax on diesel fuel, all of which are dedicated by law to transportation purposes. As part of Proposition 22, sixty-one percent of the state's voters provided that the State Transit Assistance program, which provides funding directly to public transit operators, would be fully protected and continuously appropriated, ensuring a predictable funding stream to transit operators in the future. AB 1308 would expand continuous appropriation to programs funded by the HUTA, namely, local street and road repairs, highway safety and rehabilitation work, and the State Transportation Improvement Program, ensuring that vital transportation projects don't grind to a halt when the Legislature falls short of meeting the July 1 deadline. We urge a support position on AB 1308.

#### **Known Positions**

Support

The Southern California Contractors Association (SCCA) – sponsor Automobile Club of Southern California California State Automobile Association (AAA) Inyo County Local Transportation Commission

Oppose

None

Steve Heminger